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SUMMARY RECORD OF THE 49th MEETING

Chairman: Mr. TEIRLINCK (Belgium)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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The meeting was called to order at 10.15 a.m.

AGENDA ITEM 128: FINANCING OF THE UNITED NATIONS MISSION IN HAITI (A/49/318/Add.2 and Corr.1 and A/49/869)

1. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the report of the Advisory Committee on Administrative and Budgetary Questions (ACABQ) on the financing of the United Nations Mission in Haiti (UNMIH) (A/49/869), said that the recommendations contained in the report were more generous than was perhaps warranted. In paragraph 2 of the report, the Advisory Committee drew attention to the unsatisfactory conditions under which it was frequently called upon to discharge its responsibilities.

2. The Advisory Committee also wished to draw attention to the potential for the same services to be budgeted under different items of expenditure because of the unclear relationship between the logistics component of civilian and military functions. Accordingly, it had invited the Secretariat to address those concerns either in its forthcoming performance report or in its budget estimates.

3. In paragraph 11, the Advisory Committee reiterated that its prior concurrence must be sought before the Secretary-General entered into commitments not to exceed $50 million, under the terms of section IV, paragraph 3 of General Assembly resolution 49/233.

4. In paragraph 12, the Advisory Committee stated its belief that, at the current stage, the cost estimates for the period from 1 August 1994 to 31 January 1995 did not serve any useful purpose. In paragraph 26, it drew attention to the need for clarification of the elements used in the calculation of reimbursement for contingent-owned equipment, while in paragraph 28, it noted that the cost of the medical services provided by hospital personnel had not been clearly identified.

5. With regard to the mission subsistence allowance rate (para. 32), the Advisory Committee questioned the procedure whereby the same rate had been applied for the whole country. Noting that provision of $1,133,300 had been made for 29 United Nations Volunteers (para. 34), it also questioned the need for a unit simply to provide administrative backstopping for such a small number of Volunteers and recommended that it should not be established. The Committee further requested (para. 35) that the number, level and functions of civilian staff should be reviewed by the Secretary-General, taking into account the services that were available through contractual arrangements and through the use of the military logistics unit.

6. With regard to the acquisition of goods and services, the Advisory Committee was of the opinion (para. 37) that a careful analysis should be undertaken with a view to determining the most cost-effective method of acquiring goods and services that were appropriate for the size and mandate of

the Mission beyond 31 March 1995. On the question of requirements for office space and dormitory modules (para. 38), standard specifications should be developed for the various climate conditions in which the United Nations was likely to operate with a view to eliminating additional costs involved in the "customizing" of modules.

7. In paragraphs 39, 49, 51, 52 and 53, the Advisory Committee adjusted the Secretariat's estimates for repairs to existing infrastructure, installation of communications systems, office furniture and equipment, generators and miscellaneous equipment. In paragraph 44, it called for a review of the requirements for helicopters once the transitional period was over.

8. On the subject of contractual services (para. 54), the Advisory Committee believed that full disclosure should be made of items estimated under contractual services. It further believed that, in general, costs for training of non-governmental organizations should not be borne by assessed contributions for peace-keeping operations (para. 59).

9. Bearing in mind its comments and observations, the Advisory Committee recommended that the costs for UNMIH for the period from 1 February to 31 December 1995 should not exceed $257,556,300. He had been informed that, in the implementation of the Advisory Committee's recommendations, the amount of $151,545,100 gross or $149,579,700 net would be assessed for the period from 1 February to 31 July 1995. Subject to the extension of the mandate of UNMIH by the Security Council, the amount to be assessed for the period from 1 August to 31 December 1995 would be $105,011,200 gross or $104,200,200 net.

10. Mr. TAKASU (Controller), introducing the report of the Secretary-General on the financing of the United Nations Mission in Haiti (A/49/318/Add.2), said that UNMIH was a unique Mission in that the Security Council had expanded its original limited mandate to take account of the unfolding political developments in Haiti. While the Secretariat had, by and large, successfully met the administrative and logistical challenges resulting from the various changes in, and extensions of, the Mission's mandate, it had been forced to operate basically on commitment authority and from existing resources.

11. As indicated in paragraph 34 of the report, the action to be taken by the General Assembly at its current session in connection with the financing of UNMIH included the appropriation of the amount of $5,946,700 gross for the period from 1 July 1994 to 31 January 1995; the assessment of an additional amount of $3,644,800 gross for the maintenance of UNMIH for the period from 1 July 1994 to 31 January 1995; the appropriation and assessment of the amount of $163,824,500 gross for the period from 1 February to 31 July 1995; and, with regard to the period after 31 July 1995, provision by commitment authorization at a monthly rate of $21,828,380 gross and the assessment of such amounts, should the Security Council decide to continue UNMIH beyond that date.

12. With regard to the three trust funds that had been established for Haiti, no pledges had to date been received for the Trust Fund to finance the cost of construction materials and other expenditures not normally financed from

assessed contributions; $2.7 million had been pledged for the Trust Fund for Electoral Assistance to Haiti; and $3 million had been pledged to the Trust Fund to provide goods and services to the international police monitoring programme and other specifically designated purposes in Haiti.

13. He welcomed the General Assembly's decision to increase the Secretary-General's commitment authority from $10 million to $50 million for the start-up requirements of new missions. Even though the Secretary-General was required to submit preliminary estimates for review and approval by the Advisory Committee, given the time lag that resulted from the need to prepare such estimates, an informal understanding had been reached as to what constituted prior concurrence of the Advisory Committee. The practice leaned towards the ex post facto submission of estimates, particularly in cases where a considerable lead time was required for the procurement of equipment and the dispatch of advance personnel. Moreover, rule 110.6 of the Financial Regulations and Rules provided for such action in order to avoid the interruption of an operation.

14. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) recalled that he had indicated to the Controller earlier in the year that if there was a specific problem of the kind to which he had just alluded, a formal proposal should be submitted for the consideration of the Advisory Committee. He had to date received no proposal from the Controller.

15. The position of the Advisory Committee on the matter of its concurrence as set out in paragraphs 9 and 11 of its report (A/49/869), was not inconsistent with the application of rule 110.6 of the Financial Regulations and Rules. Moreover, section IV, paragraph 3, of General Assembly resolution 49/233 provided that the prior concurrence of the Advisory Committee must be obtained before the Secretary-General entered into commitments not to exceed $50 million.

16. Mr. HANSON (Canada) said that the forthcoming transition from the multinational force to UNMIH underlined the continuity of the international community's commitment to the establishment of full democracy and peace in Haiti. Since the return of President Aristide in October 1994, the Haitians had begun to enjoy the rights and freedoms of which they had been deprived for many years. The multinational force led by the United States had created the environment necessary for the Haitians to build a peaceful, stable and democratic society. The United Nations and the multinational force had worked together to ensure a smooth transition. Canada had actively participated in that process and would also be a major contributor to UNMIH. While the security environment in Haiti had improved, the situation remained fragile and the challenges faced by UNMIH and the Haitians alike in consolidating security and stability and creating an atmosphere conducive to the organization of free and fair elections must not be underestimated. The operation must be put on a sound financial and administrative footing if it was to be successful.

17. Mr. BOIN (France), speaking on behalf of the European Union, welcomed the fact that UNMIH could now be deployed as a result of the generous and positive action of the multinational force, and expressed the hope that its efforts would lead to the holding of democratic elections in Haiti.

18. The European Union agreed with the Advisory Committee's comments concerning the Secretary-General's budget estimates. In that connection, he once again stressed the importance that the European Union attached to the work of the Advisory Committee and to the need for the timely issuance in the official languages of the reports which were essential in order for the General Assembly to exercise its budgetary authority. The documents submitted by the Secretariat did not provide sufficiently convincing justification for the huge volume of funds requested. A considerable number of the requests appeared not to be based on precise data resulting from studies in the field but rather to reflect approximate estimates. The presence of a large multinational force in Haiti for approximately six months should have facilitated the preparation by the United Nations of a detailed budget for UNMIH with proper justification.

19. The efforts which had been made, in particular by the General Assembly in its resolution 49/233, to streamline and simplify the budget review process for peace-keeping operations had not yet resulted in any appreciable improvement in the budgets submitted by the Secretariat. It was to be hoped that tangible progress would be made in the coming months. In order to facilitate the consideration by the Committee of the proposed budget for UNMIH, the European Union had circulated to the Secretariat and members of the Committee a list of the main technical questions raised by the budget estimates.

20. Over and above that list, however, the budget estimates for UNMIH raised a number of questions. First, the inadequate justification provided under the main budget headings raised the issue of possible overlaps between civilian, military and contractual staff and in the use of certain items of equipment such as vehicles, as was noted by the Advisory Committee in paragraphs 13, 14, 30 and 41 of its report. It was clear that, without the streamlining and proper coordination of the resources made available to the Mission, there would be overlapping which could result not only in additional costs for Member States but also possibly in the impaired functioning of the Mission which might be detrimental to the discharge of its mandate.

21. Second, it was important to address the relationship between UNMIH and the International Civilian Mission in Haiti (MICIVIH) and, in particular, the relationship with the major programme of assistance for the economic recovery of Haiti recently announced at the conference of donor countries in Paris, which involved nearly $900 million over a period of 12 to 18 months. He wondered, however, whether in that context it was appropriate to charge to the UNMIH budget certain expenditures such as the repair of infrastructure which would appear to come under development assistance and should thus be financed from voluntary contributions. Moreover, close coordination between UNMIH and activities undertaken on behalf of Haiti through certain agencies in the United Nations system was essential in order to avoid duplication and waste.

22. Lastly, with regard to the determination of the budget item for contingent-owned equipment, the European Union had noted the assurances provided by the Secretariat to the Advisory Committee that the rate of 10 per cent which had been taken as a basis did not in any way prejudge the decisions that the General Assembly would take on that question in due course following consultations with

Member States. The European Union agreed with the Advisory Committee's comment in paragraph 26 of its report that there was a need to clarify the elements used in the calculation of reimbursement for contingent-owned equipment.

23. The European Union would determine its position on the amounts to be assessed and on the amount of the commitment authority on the basis of the replies provided by the Secretariat to the questions it had raised.

24. Mr. KUZNETSOV (Russian Federation) said he agreed with the Advisory Committee that the volume of resources requested by the Secretary-General for UNMIH was excessive in view of the mandate assigned by the Security Council to the Mission and the size of the country. In that regard, the Fifth Committee needed to review the existing situation carefully. There was an obvious overlapping of functions carried out by civilian and military personnel regarding technical and engineering work which must also be addressed. His delegation was ready to participate fully in both informal consultations and formal meetings to address the more technical questions raised in the reports of the Advisory Committee and the Secretary-General.

25. Mr. TOYA (Japan) said that the Secretariat, the Advisory Committee and Member States should work together to facilitate the preparation and approval of peace-keeping budgets. His delegation was prepared to endorse the Advisory Committee's recommendations and hoped that the Committee could reach a decision as soon as possible. In that regard, he welcomed the list of questions submitted by the European Union and hoped that it would facilitate the Committee's deliberations.

26. Ms. BUERGO (Cuba) said that the report of the Secretary-General did not facilitate the understanding by delegations of such a complicated Mission. She regretted that it had not been clearer, simpler and more direct. Estimates for activities ranging from water purification and storage to the number of civilian and military personnel required for the Mission and infrastructure repairs were excessive; in that regard she fully shared the concerns expressed and the recommendations put forward by the Advisory Committee in paragraphs 24, 34, 39 and 42 of its report. In her delegation's view, none of the calculations concerning the Mission had been made on the basis of the most economical methods with a view to achieving savings. There was no need, for instance, for radio and television programmes on the participation of the United Nations in Haiti. Moreover, she fully supported the Advisory Committee's comments and recommendations with regard to contractual services and training programmes.

AGENDA ITEM 162: FINANCING OF THE UNITED NATIONS MISSION OF OBSERVERS IN TAJIKISTAN (continued) (A/49/854 and A/49/868)

27. Mr. TAKASU (Controller), replying to a question which had been put to the Secretariat at a previous meeting, said that the Government of Tajikistan had provided free furnished office space for the Mission and that it exempted the Mission from the payments of taxes on fuel, equipment and other goods it required for its operations.

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28. Ms. HOLLAND (United Kingdom) said that her delegation would welcome clarification from the Secretariat concerning the financial arrangements for the United Nations Angola Verification Mission (UNAVEM III), for which commitment authority had been given up to 31 May 1995. Since the Fifth Committee would not be meeting until mid-June, it would be very unlikely that it would be able to review and approve a budget for UNAVEM III before the commitment authority ran out. Her delegation would therefore appreciate information concerning the time-scale within which the Secretariat proposed to submit a budget and information as to whether the commitment authority granted by the Advisory Committee would be sufficient to meet the needs of the Mission until such time as a budget could be approved.

The meeting rose at 11.15 a.m.